



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name and Address

WILLIAM D STRINDEN MD
116 CHRISTIE DRIVE
LUFKIN TEXAS 75904

Respondent Name

TEXAS MUTUAL INSURANCE CO

Carrier's Austin Representative

Box Number 54

MFDR Tracking Number

M4-12-3242-01

MFDR Date Received

June 28, 2012

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Insurer altered the order of coding and did not pay the first code (highest billed) code first. It was paid second at 50%. I believe they should have honored my request to pay the first code (highest amount) first and not alter the claim. It was a clean claim and the codes should not have been taken out of order so they could finagle the paid amounts to pay less. I am requesting a ruling that they pay the claim in the order it was billed which would mean they owe an additional \$215.41."

Amount in Dispute: \$215.41

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The 2012 conversion factor of \$66.88 [sic] is divided by the CMS conversion factor for 26418, which is 34.0376. This results in the number 1.96, which in turn is multiplied by \$534.51, the CMS amount for code 26418. The product of 1.96 x \$534.51 is \$1,081.66, the MAR. The same calculation is carried out for code 26735. And the MAR for that code is \$1,127.68. The MAR for code 26735 is \$1,127.68. Code 96735 [sic] is the primary code. The MAR for code 26418 is \$1,081.66. Code 26418 is the secondary code... Consistent with section (h) Texas Mutual paid \$890.00, the requestor's usual and customary charge for primary code 26735, which is the least of the three. And Texas Mutual paid \$540.83 on code 26418, the secondary code. No further payment is due."

Response Submitted by: Texas Mutual Insurance Company

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
April 10, 2012	26418-58, 26735-58-51	\$215.41	\$0.00

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving a medical fee dispute.
2. 28 Texas Administrative Code §134.203 sets out the fee guideline for professional medical services.
3. The services in dispute were reduced/denied by the respondent with the following reason codes:

Explanation of benefits

- CAC-59 – Processed based on multiple or concurrent procedure rules. (For example multiple surgery or diagnostic imaging, concurrent anesthesia)
- 329 – Allowance for this service represents 50% because of multiple or bilateral rules
- CAC-193 – Original payment decisions being maintained. Upon review, it was determined that this claim was processed properly
- 724 – No additional payment after reconsideration of services

Issues

1. Did the insurance carrier issue payment per 28 Texas Administrative Code 134.203(h)?
2. Is the requestor entitled to additional reimbursement for CPT codes 26735 and 26418?

Findings

1. Per 28 Texas Administrative Code §134.203 “(c) To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications. (1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$52.83. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32. (2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year...”

Review of the MLN Matters® Number: MM7587 states in relevant part “Multiple surgeries are separate procedures performed by a single physician or physicians in the same group practice on the same patient at the same operative session or on the same day for which separate payment may be allowed. Co-surgeons, surgical teams, or assistants-at-surgery may participate in performing multiple surgeries on the same patient on the same day. Medicare pays for multiple surgeries by ranking from the highest MPFS amount to the lowest MPFS amount. When the same physician performs more than one surgical service at the same session, the allowed amount is 100% for the surgical code with the highest MPFS amount. The allowed amount for the subsequent surgical codes is based on 50% of the MPFS amount.”

Per 28 Texas Administrative Code §134.203 “(h) When there is no negotiated or contracted amount that complies with Labor Code §413.011, reimbursement shall be the least of the: (1) MAR amount; (2) health care provider's usual and customary charge, unless directed by Division rule to bill a specific amount; or (3) fair and reasonable amount consistent with the standards of §134.1 of this title.”

The MAR amount for CPT code 26735 is \$1,127.66, therefore CPT code 26735 has the highest MPFS amount and reimbursement is issued at 100% of the MPFS. The requestor billed the insurance \$890.00 for CPT code 26735, the insurance carrier paid the usual and customary charge of \$890.00, therefore no additional reimbursement is recommended for CPT code 26735 rendered on April 10, 2012.

The MAR amount for CPT code 26418 is \$1,081.66 therefore CPT code 26418 has the lowest MPFS amount and reimbursement is issued at 50% of the MPFS. After the 50% reduction, the MAR amount for CPT code 26418 is \$540.83. The insurance carrier issued payment in the amount of \$540.83 for CPT code 26418-58. As a result, no additional reimbursement is recommended for CPT code 26418.

2. Review of the submitted documentation finds that the insurance carrier issued payment according to the provision of 28 Texas Administrative Code §134.203 (h), as a result, the requestor is not entitled to additional reimbursement for CPT codes 26735 and 26418.

Conclusion

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to \$0.00 reimbursement for the disputed services.

Authorized Signature

_____	_____	September 26, 2013
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, 37 *Texas Register* 3833, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).